1 2	RICHARD T. DRURY (CBN 163559) REBECCA L. DAVIS (CBN 271662)	ENDORSED FILED ALAMEDA COUNT	TY
	LOZEAU DRURY LLP 410 12th Street, Suite 250	JAN 1 5 2019	
3	Oakland, CA 94607		
4	Ph: 510-836-4200	CLERK OF THE SUPERIOR	
5	Fax: 510-836-4205	By: ERICA BAKER, Dep	outy
	Email: richard@lozeaudrury.com rebecca@lozeaudrury.com		
6	Tebecca@iozeaudrury.com		
7	ADAM KEATS (CBN 191157)		
8	CENTER FOR FOOD SAFETY		
	303 Sacramento Street, 2nd Floor San Francisco, CA 94111		
9	Ph: 415-826-2770		
10	Email: akeats@centerforfoodsafety.org		
11	Attorneys for Plaintiff Center for Food Safety		
12	Autoriteys for Framen's Center for Food Safe	St.y	
13		A	
	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
14	COUNTY OF ALAMEDA		
15	CENTER FOR FOOD SAFETY, a non-	Case No.: RG18918563	
16	profit corporation,	AGGIGNED TO BERT AL MON	
17	Plaintiff,	ASSIGNED TO DEPT. 21, HON. WINIFRED SMITH FOR ALL	
18	vs.	PURPOSES	
		FIRST AMENDED COMPLAINT FOR	
19	WHOLE FOODS MARKET CALIFORNIA, INC., a California	INJUNCTIVE RELIEF AND CIVIL	
20	corporation; and MRS. GOOCH'S	PENALTIES	
21	NATURAL FOOD MARKETS, INC., a		
	California corporation,		
22	Defendants.		
23		_	
24	Plaintiff Center for Food Safety ("P	laintiff") brings this action in the interests of the	
25	general public and, on information and beli	ef, hereby alleges:	
26	INTE	PODUCTION	
27	INTRODUCTION		
	This action seeks to remedy to the seeks to remedy to remedy to the seeks to remedy to remedy to the seeks to remedy t	the continuing failure of Defendants Whole Foods	
28	Market California, Inc. and Mrs. Gooch's Natural Food Markets, Inc. (collectively,		
	FIRST AMENDED COMPLAINT	1 RG18918563	

"Defendants") to warn individuals in California that they are being exposed to the chemical acrylamide, a substance known to the State of California to cause cancer. These exposures have occurred, and continue to occur through the manufacture, distribution, sale, and consumption of the following peanut butter and almond butter products, which contain the chemical acrylamide (the "Nut Butter Products"):

- 1. 365 Peanut Butter Crunchy
- 2. 365 Peanut Butter Creamy
- 3. 365 Organic Creamy Peanut Butter Spread
- 4. 365 Organic Crunchy Peanut Butter Spread
- 5. 365 Organic Creamy Peanut Butter Spread Unsweetened
- 6. 365 Organic Creamy Peanut Butter Unsweetened & No Salt
- 7. 365 Almond Butter Crunchy
- 8. 365 Almond Butter Creamy
- 9. 365 Organic Almond Butter Unsweetened & No Salt
- 2. California's Proposition 65 (Health & Safety Code § 25249.5, et seq.), is a right to know statute. Under Proposition 65, it is unlawful for businesses to knowingly and intentionally expose individuals in California to chemicals known to the State to cause cancer, birth defects, or other reproductive harm without providing clear and reasonable warnings to individuals prior to exposure.
- 3. When consumers eat the Nut Butter Products, they are exposed to acrylamide at levels requiring a "clear and reasonable warning" under Proposition 65. Yet Defendants have failed to provide any warning to consumers that they are being exposed to the carcinogenic chemical acrylamide.
- 4. Defendants' past and continued manufacturing, distribution, and sale of the Nut Butter Products in California without a clear and reasonable warning causes individuals to be involuntarily and unwittingly exposed to acrylamide at levels that violate Proposition 65.
 - 5. Plaintiff seeks injunctive relief enjoining Defendants from the continued

manufacturing, distribution, and/or sales of the Nut Butter Products in California without provision of clear and reasonable warnings regarding the risks of cancer posed by exposure to acrylamide through consumption of the Nut Butter Products. Plaintiff seeks an injunctive order compelling Defendants to bring their business practices into compliance with Proposition 65 by providing a clear and reasonable warning to each individual who has been and who in the future may be exposed to acrylamide from consumption of the Nut Butter Products. Plaintiff also seeks an order compelling Defendants to identify and locate each individual person who in the past has purchased the Nut Butter Products, and to provide to each such purchaser a clear and reasonable warning that use of the Nut Butter Products will cause exposures to acrylamide.

JURISDICTION AND VENUE

- 6. This Court has jurisdiction over this action pursuant to Health and Safety Code § 25249.8, allowing enforcement of Proposition 65 in any court of competent jurisdiction, and pursuant to California Constitution Article VI, Section 10, which grants the Superior Court "original jurisdiction in all causes except those given by statute to other trial courts." The causes of actions alleged herein are not given by statute to other trial courts.
- 8. This Court has jurisdiction over Defendants because Defendants are businesses having sufficient minimum contacts with California, or otherwise intentionally availing themselves of the California market through the distribution and sale of the Nut Butter Products in the State of California to render the exercise of jurisdiction over Defendants by the California courts consistent with traditional notions of fair play and substantial justice.
- 9. Venue in this action is proper in the Alameda Superior Court because Defendants have violated or threaten to violate California law in the County of Alameda.

PARTIES

10. Plaintiff Center for Food Safety is a non-profit corporation working to protect human health and the environment by curbing the use of harmful food production technologies and by promoting organic and other forms of sustainable agriculture. Plaintiff is Center for Food Safety is a person within the meaning of Health & Safety Code §25118 and brings this

enforcement action in the public interest pursuant to Health & Safety Code §25249.7(d).

- 11. Defendant Whole Foods Market California, Inc. is a corporation organized under the State of California's corporation law and is a person doing business within the meaning of Health & Safety Code § 25249.11.
- 12. Defendant Mrs. Mrs. Gooch's Natural Food Markets, Inc. is a corporation organized under the State of California's corporation law and is a person doing business within the meaning of Health & Safety Code § 25249.11.
- 13. Defendants have manufactured, packaged, distributed, marketed and/or offered the Nut Butter Products for sale or use in California and the County of Alameda. Plaintiff is informed and believes, and thereupon alleges, that Defendants continue to manufacture, package, distribute, market and/or sell the Nut Butter Products in California and in Alameda County.

STATUTORY BACKGROUND

- 14. The People of the State of California have declared in Proposition 65 their right "[t]o be informed about exposures to chemicals that cause cancer, birth defects, or other reproductive harm." Section 1(b) of Initiative Measure, Proposition 65.
- 15. To effect this goal, Proposition 65 requires that individuals be provided with a "clear and reasonable warning" before being exposed to substances listed by the State of California as causing cancer or reproductive toxicity. Health & Safety Code § 25249.6 states, in pertinent part:

No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual....

16. "Knowingly' refers only to knowledge of the fact that a discharge of, release of, or exposure to a chemical listed pursuant to Section 25249.8(a) of the Act is occurring. No knowledge that the discharge, release or exposure is unlawful is required." 27 Cal. Code of Regs. ("CCR") § 25102(n).

17. Proposition 65 provides that any "person who violates or threatens to violate" the statute may be enjoined in a court of competent jurisdiction. Health & Safety Code § 25249.7. The phrase "threaten to violate" is defined to mean creating "a condition in which there is a substantial probability that a violation will occur." Health & Safety Code § 25249.11(e). Violators are liable for civil penalties of up to \$2,500 per day for each violation of the Act. Health & Safety Code § 25249.7.

18. On January 1, 1990, the State of California officially listed the chemical acrylamide as a chemical known to cause cancer. Acrylamide became subject to the warning requirement one year later and was therefore subject to the "clear and reasonable" warning requirements of Proposition 65 beginning on January 1, 1991. Health & Safety Code § 25249.6 *et seq.*; 27 Cal. Code Regs. §§ 25000, *et seq.* Due to the carcinogenicity of acrylamide, the no significant risk level for acrylamide is 0.2 μg/day (micrograms per day). 27 Cal. Code Regs. § 25705(b)(1).

FACTUAL BACKGROUND

- 19. To test Defendants' Nut Butter Products for acrylamide, Plaintiff hired a well-respected and accredited testing laboratory. The results of testing undertaken by Plaintiff of the Nut Butter Products show that they were in violation of the 0.2 microgram per day ("µg/day") for acrylamide "safe harbor" daily dose limits set forth in Proposition 65's regulations.
- 20. Based on the testing results, on June 18, 2018, Plaintiff sent a 60-Day Notice of Proposition 65 Violations ("Notice") to the requisite public enforcement agencies, and to Defendant Whole Foods Market California, Inc. (a true and correct copy of the 60-Day Notice letter is attached hereto as **Exhibit A** and is incorporated by reference). On November 9, 2018, Plaintiff sent a Notice to the requisite public enforcement agencies, and to Defendant Mrs. Gooch's Natural Food Markets, Inc. (a true and correct copy of this 60-Day Notice letter is attached hereto as **Exhibit B** and is incorporated by reference). These Notices were issued

and the statute's implementing regulations regarding the notice of the violations to be given to certain public enforcement agencies and to the violators. The Notices included, *inter alia*, the following information: the name, address, and telephone number of the noticing individuals; the name of the alleged violator; the statute violated; the approximate time period during which violations occurred; and descriptions of the violations, including the chemical involved, the routes of toxic exposure, and the specific product or type of product causing the violations, and was issued as follows:

pursuant to, and in compliance with, the requirements of Health & Safety Code §25249.7(d)

- a. Defendants were provided a copy of the Notice by Certified Mail.
- b. Defendants were provided a copy of a document entitled "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," which is also known as Appendix A to Title 27 of Cal. Code Regs. § 25903.
- c. The California Attorney General was provided a copy of the Notices via online submission.
- d. The California Attorney General was provided with a Certificate of Merit by the attorney for the noticing party, stating that there is a reasonable and meritorious case for this action, and attaching factual information sufficient to establish a basis for the certificate, including the identity of the persons consulted with and relied on by the certifier, and the facts, studies, or other data reviewed by those persons, pursuant to Health & Safety Code § 25249.7(h)(2).
- e. The district attorneys, city attorneys or prosecutors of each jurisdiction within which the Nut Butter Products are offered for sale within California were provided with a copy of the Notices pursuant to Health & Safety Code § 25249.7(d)(1).
- 21. At least 60-days have elapsed since Plaintiff sent the Notices to Defendants. The appropriate public enforcement agencies have failed to commence and diligently prosecute a cause of action under Health & Safety Code § 25249.5, *et seq.* against Defendants based on

the allegations herein.

- 22. On information and belief, the Nut Butter Products have been manufactured, distributed, and/or sold by Defendants for consumption in California since at least August 28, 2015. On information and belief, the Nut Butter Products continue to be distributed and sold in California without the requisite warning information.
- 23. At all times relevant to this action, Defendants have knowingly and intentionally exposed the users of the Nut Butter Products to acrylamide without first giving a clear and reasonable warning to such individuals.
- 24. As a proximate result of acts of Defendants, as persons in the course of doing business within the meaning of Health & Safety Code § 25249.11, individuals throughout the State of California, including in the County of Alameda, have been exposed to acrylamide without a clear and reasonable warning. The individuals subject to the illegal exposures include normal and foreseeable users of the Nut Butter Products, as well as all other persons exposed to the Nut Butter Products.

FIRST CAUSE OF ACTION

(Violations of Health and Safety Code § 25249.5, et seq. concerning the Nut Butter Products described in the June 18, 2018 and November 9, 2019 Prop. 65 Notices)

- 25. Plaintiff re-alleges and incorporates by reference Paragraphs 1 through 24, inclusive, as if specifically set forth herein.
- 26. Defendants are persons doing business within the meaning of Health & Safety Code § 25249.11.
- 27. Acrylamide is listed by the State of California as a chemical known to cause cancer.
- 28. Defendants have and continue to knowingly and intentionally expose individuals who ingest the Nut Butter Products to the chemical acrylamide without first providing a clear and reasonable warning to such individuals pursuant to Health & Safety Code §§ 25249.6 and 25249.11(f).

29. Continuing commission by Defendants of the acts alleged above will irreparably harm the citizens of the State of California, for which harm they have no plain, speedy, or adequate remedy at law.

Wherefore, Plaintiff prays for judgment against Defendants, as set forth hereafter.

PRAYER FOR RELIEF

Wherefore, Plaintiff prays for the following relief:

- 1. A preliminary and permanent injunction, pursuant to Health & Safety Code § 25249.7(b), enjoining Defendants, their agents, employees, assigns and all persons acting in concert or participating with Defendants, from distributing or selling the Nut Butter Products in California without first providing a clear and reasonable warning that consumers of the Nut Butter Products are exposed to acrylamide;
- 2. An injunctive order, pursuant to Health & Safety Code § 25249.7(b), compelling Defendants to identify and locate each individual who has purchased the Nut Butter Products since August 28, 2015, and to provide a warning to such persons that consumption of the Nut Butter Products will expose the consumers to a chemical known to cause cancer;
- 3. An assessment of civil penalties pursuant to Health & Safety Code § 25249.7(b) against Defendants in the amount of \$2,500 per day for each violation of Proposition 65;
- 4. An award to Plaintiff of its reasonable attorney's fees and costs of suit pursuant to California Code of Civil Procedure § 1021.5, as Plaintiff shall specify in further application to the Court; and,
 - 5. Such other and further relief as may be just and proper.

DATED: January 15, 2018

LOZEAU | DRURY LLP

Rebecca L. Davis
Attorneys for Plaintiff
Center for Food Safety



June 18, 2018

To: President or CEO – Whole Foods Market, Inc.

President or CEO – Whole Foods Market California, Inc.

California Attorney's Office

District Attorney's Office for 58 counties

City Attorney's for San Francisco, San Diego, San Jose, and Los Angeles

(See attached Certificate of Service)

From: Center for Food Safety

Re: Notice of Violations of California Health & Safety Code Section 25249.5 et seq.

Dear Addressees:

This firm represents Center for Food Safety in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* ("Proposition 65"). Center for Food Safety is a national non-profit public interest and environmental advocacy organization working to protect human health and the environment by curbing the use of harmful food production technologies and by promoting organic and other forms of sustainable agriculture. This letter serves to provide notification of these violations to you and to the public enforcement agencies of Proposition 65.

This letter constitutes notice that the entities listed below have violated and continue to violate provisions of Proposition 65. Specifically, the entities listed below have violated and continue to violate the warning requirement at § 25249.6 of the California Health & Safety Code, which provides that "[n]o person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual..."

<u>Violators</u>: The name of the violators covered by this notice that violated Proposition 65 (hereinafter referred to as the "Violators") are: 1) Whole Foods Market, Inc., and 2) Whole Foods Market California, Inc.

<u>Listed Chemical</u>: These violations involve exposure to the listed chemical acrylamide. On January 1, 1990, California officially listed acrylamide as a chemical known to the State of California to cause cancer. On February 25, 2011, California officially listed acrylamide as a chemical known to cause reproductive and developmental toxicity.

Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. June 18, 2018 Page 2

<u>Consumer Products</u>: The following specific products that are the subject of this notice because are causing exposures in violation of Proposition 65 are:

- 1. 365 Peanut Butter Crunchy
- 2. 365 Peanut Butter Creamy
- 3. 365 Organic Creamy Peanut Butter Spread
- 4. 365 Organic Crunchy Peanut Butter Spread
- 5. 365 Organic Creamy Peanut Butter Spread Unsweetened
- 6. 365 Organic Creamy Peanut Butter Unsweetened & No Salt
- 7. 365 Almond Butter Crunchy
- 8. 365 Almond Butter Creamy
- 9. 365 Organic Almond Butter Unsweetened & No Salt

<u>Violation</u>: The alleged Violators knowingly and intentionally exposed and continue to expose consumers within the State of California to acrylamide without providing a Proposition 65 warning. The Violators have manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemical, acrylamide.

<u>Route of Exposure</u>: Use of the products identified in this notice results in human exposures to acrylamide. The primary route of exposure is ingestion.

<u>Duration of Violation</u>: The violations have been occurring since at least June 18, 2017, and are ongoing.

A summary of Proposition 65, prepared by the California Office of Environmental Health Hazard Assessment, is enclosed with the copy of this letter sent to the Violators.

Pursuant to California Health & Safety Code § 25249.7(d), Center for Food Safety intends to file a citizen enforcement action sixty days after effective service of this notice unless the Violators agree in an enforceable written agreement to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Consistent with the public interest goals of Proposition 65 and my client's objectives in pursuing this notice, Center for Food Safety is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemical and expensive and time

Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. June 18, 2018
Page 3

consuming litigation.

Adam Keats is a Senior Attorney with Center for Food Safety. Mr. Keats is located at 303 Sacramento St., 2nd Floor, San Francisco, CA 94111, Tel. 415-826-0507. Center for Food Safety has retained my firm in connection with this matter. Please direct all questions concerning this notice to me, Rebecca Davis (rebecca@lozeaudrury.com), Lozeau Drury LLP, 410 12th Street, Suite 250, Oakland, California 94607, (510) 836-4200.

Sincerely,

Rebecca L. Davis

Attachments:

Certificate of Merit Certificate of Service

OEHHA Summary (to Violators and their Registered Agents for Service of Process only) Additional Supporting Information for Certificate of Merit (to AG only)

Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. June 18, 2018
Page 4

CERTIFICATE OF MERIT

Re: Center for Food Safety's Notice of Proposition 65 Violations by Whole Foods Market, Inc. and Whole Foods Market California, Inc.

I, Rebecca Davis, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged that the parties identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney for the noticing party, Center for Food Safety.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultants and other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged violator(s) will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit, additional factual information sufficient to establish the basis for this certificate has been served on the Attorney General, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: June 18, 2018

Rebecca Davis

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years old, and am not a party to the within action. My business address is 410 12th Street, Suite 250, Oakland, California 94607, in Alameda County, where the mailing occurred.

On June 18, 2018, I served the following documents: (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE \$25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT; (3) THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY on the following entities by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by Certified Mail, addressed to the entity listed below, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Current President or CEO Whole Foods Market, Inc. 550 Bowie St. Austin, TX 78703-4644 Corporation Service Company dba CSC Lawyers Incorporated (Registered Agent for Service of Process for Whole Foods Market, Inc.) 221 E. 7th Street, Suite 620 Austin, TX 78701

Current President or CEO Whole Foods Market California, Inc. 5980 Horton St., Suite 200 Emeryville, CA 94608 CT Corporation System (Registered Agent for Service of Process for Whole Foods Market California, Inc.) 818 West Seventh Street, Suite 930

On June 18, 2018, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT; (3) ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE § 25249.7(d)(1) on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550

On June 18, 2018, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEO.; (2) CERTIFICATE

OF MERIT were served on the following parties when a true and correct copy thereof was sent via electronic mail to the party listed below:

Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org

Michelle Latimer, Program Coordinator Lassen County 220 S. Lassen Street Susanville, CA 96130 mlatimer@co.lassen.ca.us

Dije Ndreu, Deputy District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Allison Haley, District Attorney Napa County 931 Parkway Mall Napa, CA 94559 CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney Riverside County 3072 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org

Christopher Dalbey
Deputy District Attorney
Santa Barbara County
1112 Santa Barbara St.
Santa Barbara, CA 93101
DAProp65@co.santa-barbara.ca.us

Gregory Alker, Assistant District Attorney San Francisco County 732 Brannan Street San Francisco, CA 94103 gregory.alker@sfgov.org

Yen Dang, Supervising Deputy District Attorney Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org Stephan R. Passalacqua, District Attorney Sonoma County 600 Administration Dr. Sonoma, CA 95403

Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

jbarnes@sonoma-county.org

Gregory D. Totten, District Attorney Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org

Nancy O'Malley, District Attorney 7776 Oakport Street, Suite 650 Oakland, CA 94621 CEPDProp65@acgov.org Kathryn L. Turner, Chief Deputy City Attorney 1200 Third Ave. San Diego, CA 92101 CityAttyCrimProp65@sandiego.gov

Tori Verber Salazar, District Attorney 222 E. Weber Avenue, Room 202 Stockton, CA 95202 DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney County Government Center Annex, 4th Floor San Luis Obispo, CA 93408 edobroth@co.slo.ca.us Jeffrey S. Rosell , District Attorney 701 Ocean Street Santa Cruz , CA 95060 Prop65DA@santacruzcounty.us

On June 18, 2018, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by First Class Mail, addressed to each of the entities on the Service List attached hereto, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Executed on June 18, 2018, in Oakland, California.

Daniel Charlier-Smith

Service List

District Attorney Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney Amador County 708 Court Street

Jackson, CA 95642

District Attorney Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

District Attorney Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney Colusa County 346 Fifth Street Suite 101 Colusa, CA 95932

District Attorney Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney El Dorado County 515 Main Street Placerville, CA 95667

District Attorney Fresno County 2220 Tulare Street, Suite 1000 Fresno, CA 93721

District Attorney Glenn County Post Office Box 430 Willows, CA 95988

District Attorney Humboldt County 825 5th Street 4th Floor Eureka, CA 95501

District Attorney Imperial County 940 West Main St. Ste 102 El Centro, CA 92243 District Attorney Inyo County 230 W. Line Street Bishop, CA 93514

District Attorney Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney Kings County 1400 West Lacey Boulevard Hanford, CA 93230

District Attorney Lake County 255 N. Forbes St. Lakeport, CA 95453

District Attorney Los Angeles County 210 West Temple Street Suite 18000 Los Angeles, CA 90012

District Attorney Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney Marin County 3501 Civic Center Drive Room 130 San Rafael, CA 94903

District Attorney Mariposa County Post Office Box 730 Mariposa, CA 95338

District Attorney Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney Merced County 550 W. Main Street Merced, CA 95340 District Attorney Modoc County 204 S Court Street, Room 202

Alturas, CA 96101-4020

District Attorney Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney Nevada County 201 Commercial Street Nevada City, CA 95959

District Attorney Orange County 401 W. Civic Center Dr. Santa Ana, CA 92701

District Attorney Placer County 10810 Justice Center Dr. Suite 240 Roseville, CA 95678

District Attorney Plumas County 520 Main Street, Room 404 Quincy, CA 95971

District Attorney San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004

District Attorney Shasta County 1355 West Street Redding, CA 96001

District Attorney Sierra County PO Box 457 Downieville, CA 95936

District Attorney Siskiyou County Post Office Box 986 Yreka, CA 96097 District Attorney Solano County 675 Texas St., Ste 4500 Fairfield, CA 94533

District Attorney Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney Sutter County 446 Second Street Yuba City, CA 95991

District Attorney Tehama County Post Office Box 519 Red Bluff, CA 96080

District Attorney Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main St., Ste. 800 Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Ave., Ste 1620 San Diego, CA 92101

San Francisco City Attorney's Office City Hall, Room 234 1 Dr Carlton B Goodlett Pl. San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113

EXHIBIT B



November 9, 2018

To: President or CEO – Mrs. Gooch's Natural Food Markets, Inc.

California Attorney's Office

District Attorney's Office for 58 counties

City Attorney's for San Francisco, San Diego, San Jose, and Los Angeles

(See attached Certificate of Service)

From: Center for Food Safety

Re: Notice of Violations of California Health & Safety Code Section 25249.5 et seq.

Dear Addressees:

This firm represents Center for Food Safety in connection with this Notice of Violations of California's Safe Drinking Water and Toxic Enforcement Act of 1986, which is codified at California Health & Safety Code Section 25249.5 *et seq.* ("Proposition 65"). Center for Food Safety is a national non-profit public interest and environmental advocacy organization working to protect human health and the environment by curbing the use of harmful food production technologies and by promoting organic and other forms of sustainable agriculture. This letter serves to provide notification of these violations to you and to the public enforcement agencies of Proposition 65.

This letter constitutes notice that the entity listed below has violated and continues to violate provisions of Proposition 65. Specifically, the entity listed below has violated and continues to violate the warning requirement at § 25249.6 of the California Health & Safety Code, which provides that "[n]o person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual..."

<u>Violator</u>: The name of the violator covered by this notice that violated Proposition 65 (hereinafter referred to as the "Violator") is: Mrs. Gooch's Natural Food Markets, Inc.

<u>Listed Chemical</u>: These violations involve exposure to the listed chemical acrylamide. On January 1, 1990, California officially listed acrylamide as a chemical known to the State of California to cause cancer. On February 25, 2011, California officially listed acrylamide as a chemical known to cause reproductive and developmental toxicity.

<u>Consumer Products</u>: The following specific products that are the subject of this notice because are causing exposures in violation of Proposition 65 are:

Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. November 9, 2018 Page 2

- 1. 365 Peanut Butter Crunchy
- 2. 365 Peanut Butter Creamy
- 3. 365 Organic Creamy Peanut Butter Spread
- 4. 365 Organic Crunchy Peanut Butter Spread
- 5. 365 Organic Creamy Peanut Butter Spread Unsweetened
- 6. 365 Organic Creamy Peanut Butter Unsweetened & No Salt
- 7. 365 Almond Butter Crunchy
- 8. 365 Almond Butter Creamy
- 9. 365 Organic Almond Butter Unsweetened & No Salt

<u>Violation</u>: The alleged Violator knowingly and intentionally exposed and continues to expose consumers within the State of California to acrylamide without providing a Proposition 65 warning. The Violator has manufactured, marketed, distributed, and/or sold the listed products, which have exposed and continue to expose numerous individuals within California to the identified chemical, acrylamide.

<u>Route of Exposure</u>: Use of the products identified in this notice results in human exposures to acrylamide. The primary route of exposure is ingestion.

<u>Duration of Violation</u>: The violations have been occurring since at least November 9, 2017, and are ongoing.

A summary of Proposition 65, prepared by the California Office of Environmental Health Hazard Assessment, is enclosed with the copy of this letter sent to the Violator.

Pursuant to California Health & Safety Code § 25249.7(d), Center for Food Safety intends to file a citizen enforcement action sixty days after effective service of this notice unless the Violators agree in an enforceable written agreement to: (1) reformulate the listed products so as to eliminate further exposures to the identified chemicals; (2) pay an appropriate civil penalty; and (3) provide clear and reasonable warnings compliant with Proposition 65 to all persons located in California who purchased the above products in the last three years. Consistent with the public interest goals of Proposition 65 and my client's objectives in pursuing this notice, Center for Food Safety is interested in seeking a constructive resolution to this matter. Such resolution will avoid both further unwarned consumer exposures to the identified chemical and expensive and time consuming litigation.

Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. November 9, 2018 Page 3

Adam Keats is a Senior Attorney with Center for Food Safety. Mr. Keats is located at 303 Sacramento St., 2nd Floor, San Francisco, CA 94111, Tel. 415-826-0507. Center for Food Safety has retained my firm in connection with this matter. Please direct all questions concerning this notice to me, Rebecca Davis (rebecca@lozeaudrury.com), Lozeau Drury LLP, 410 12th Street, Suite 250, Oakland, California 94607, (510) 836-4200.

Sincerely,

Rebecca L. Davis

Attachments:

Certificate of Merit Certificate of Service

OEHHA Summary (to Violators and their Registered Agents for Service of Process only) Additional Supporting Information for Certificate of Merit (to AG only) Notice of Violation of Cal. Health & Safety Code §§ 25249.5 et seq. November 9, 2018
Page 4

CERTIFICATE OF MERIT

Re: Center for Food Safety's Notice of Proposition 65 Violations by Mrs. Gooch's Natural Food Markets, Inc.

I, Rebecca Davis, declare:

- 1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged that the parties identified in the notice violated California Health & Safety Code Section 25249.6 by failing to provide clear and reasonable warnings.
- 2. I am an attorney for the noticing party, Center for Food Safety.
- 3. I have consulted with one or more persons with relevant and appropriate experience or expertise who have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of the notice.
- 4. Based on the information obtained through those consultants and other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and that the information did not prove that the alleged violator(s) will be able to establish any of the affirmative defenses set forth in the statute.
- 5. Along with the copy of this Certificate of Merit, additional factual information sufficient to establish the basis for this certificate has been served on the Attorney General, including the information identified in California Health & Safety Code §25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: November 9, 2018

Rebecca Davis

CERTIFICATE OF SERVICE

I, the undersigned, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am a citizen of the United States, over the age of 18 years old, and am not a party to the within action. My business address is 410 12th Street, Suite 250, Oakland, California 94607, in Alameda County, where the mailing occurred.

On November 9, 2018, I served the following documents: (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT; (3) THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY on the following entities by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by Certified Mail, addressed to the entity listed below, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Current President or CEO Mrs. Gooch's Natural Food Markets, Inc. 207 Goode Ave., 7th Floor Glendale, CA 91203 CT Corporation System (Registered Agent for Service of Process for Mrs. Gooch's Natural Food Markets, Inc.) 818 West Seventh Street, Suite 930 Los Angeles, CA 90017

Current President or CEO Mrs. Gooch's Natural Food Markets, Inc. 15315 Magnolia Blvd. Ste. 3 Sherman Oaks, CA 91403

On November 9, 2018, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT; (3) ADDITIONAL SUPPORTING INFORMATION FOR CERTIFICATE OF MERIT AS REQUIRED BY CALIFORNIA HEALTH & SAFETY CODE § 25249.7(d)(1) on the following party when a true and correct copy thereof was uploaded on the California Attorney General's website, which can be accessed at https://oag.ca.gov/prop65/add-60-day-notice:

Office of the California Attorney General Prop 65 Enforcement Reporting 1515 Clay Street, Suite 2000 Oakland, CA 94612-0550

On November 9, 2018, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE \$25249.5 ET SEQ.; (2)

CERTIFICATE OF MERIT were served on the following parties when a true and correct copy thereof was sent via electronic mail to the party listed below:

Stacey Grassini, Deputy District Attorney Contra Costa County 900 Ward Street Martinez, CA 94553 sgrassini@contracostada.org

Michelle Latimer, Program Coordinator Lassen County 220 S. Lassen Street Susanville, CA 96130 mlatimer@co.lassen.ca.us

Dije Ndreu, Deputy District Attorney Monterey County 1200 Aguajito Road Monterey, CA 93940 Prop65DA@co.monterey.ca.us

Allison Haley, District Attorney Napa County 931 Parkway Mall Napa, CA 94559 CEPD@countyofnapa.org

Paul E. Zellerbach, District Attorney Riverside County 3072 Orange Street Riverside, CA 92501 Prop65@rivcoda.org

Anne Marie Schubert, District Attorney Sacramento County 901 G Street Sacramento, CA 95814 Prop65@sacda.org

Christopher Dalbey
Deputy District Attorney
Santa Barbara County
1112 Santa Barbara St.
Santa Barbara, CA 93101
DAProp65@co.santa-barbara.ca.us

Gregory Alker, Assistant District Attorney San Francisco County 732 Brannan Street San Francisco, CA 94103 gregory.alker@sfgov.org

Yen Dang, Supervising Deputy District Attorney Santa Clara County 70 W Hedding St San Jose, CA 95110 EPU@da.sccgov.org Stephan R. Passalacqua, District Attorney Sonoma County 600 Administration Dr. Sonoma, CA 95403

Phillip J. Cline, District Attorney Tulare County 221 S Mooney Blvd Visalia, CA 95370 Prop65@co.tulare.ca.us

jbarnes@sonoma-county.org

Gregory D. Totten, District Attorney Ventura County 800 S Victoria Ave Ventura, CA 93009 daspecialops@ventura.org

Jeff W. Reisig, District Attorney Yolo County 301 Second Street Woodland, CA 95695 cfepd@yolocounty.org

Nancy O'Malley, District Attorney 7776 Oakport Street, Suite 650 Oakland, CA 94621 CEPDProp65@acgov.org Kathryn L. Turner, Chief Deputy City Attorney 1200 Third Ave. San Diego, CA 92101 CityAttyCrimProp65@sandiego.gov Tori Verber Salazar, District Attorney 222 E. Weber Avenue, Room 202 Stockton, CA 95202 DAConsumer.Environmental@sjcda.org

Eric J. Dobroth, Deputy District Attorney County Government Center Annex, 4th Floor San Luis Obispo, CA 93408 edobroth@co.slo.ca.us Jeffrey S. Rosell , District Attorney 701 Ocean Street Santa Cruz , CA 95060 Prop65DA@santacruzcounty.us

On November 9, 2018, I served the following documents (1) NOTICE OF VIOLATIONS OF THE CALIFORNIA HEALTH & SAFETY CODE §25249.5 ET SEQ.; (2) CERTIFICATE OF MERIT on each of the parties on the Service List attached hereto by placing a true and correct copy thereof in a sealed envelope with postage fully prepaid for delivery by First Class Mail, addressed to each of the entities on the Service List attached hereto, and placing the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

Executed on November 9, 2018, in Oakland, California.

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Service List

District Attorney Alpine County P.O. Box 248 Markleeville, CA 96120

District Attorney Amador County

708 Court Street Jackson, CA 95642

District Attorney Butte County 25 County Center Drive, Suite 245 Oroville, CA 95965

District Attorney Calaveras County 891 Mountain Ranch Road San Andreas, CA 95249

District Attorney Colusa County 346 Fifth Street Suite 101 Colusa, CA 95932

District Attorney Del Norte County 450 H Street, Room 171 Crescent City, CA 95531

District Attorney El Dorado County 515 Main Street Placerville, CA 95667

District Attorney Fresno County 2220 Tulare Street, Suite 1000 Fresno, CA 93721

District Attorney Glenn County Post Office Box 430 Willows, CA 95988

District Attorney Humboldt County 825 5th Street 4th Floor Eureka, CA 95501

District Attorney Imperial County 940 West Main St. Ste 102 El Centro, CA 92243 Inyo County District Attorney's Office P.O. Box D Independence, CA 93526

District Attorney Kern County 1215 Truxtun Avenue Bakersfield, CA 93301

District Attorney Kings County 1400 West Lacey Boulevard Hanford, CA 93230

District Attorney Lake County 255 N. Forbes St. Lakeport, CA 95453

District Attorney Los Angeles County 210 West Temple Street Suite 18000 Los Angeles, CA 90012

District Attorney Madera County 209 West Yosemite Avenue Madera, CA 93637

District Attorney Marin County 3501 Civic Center Drive Room 130 San Rafael, CA 94903

District Attorney Mariposa County Post Office Box 730 Mariposa, CA 95338

District Attorney Mendocino County Post Office Box 1000 Ukiah, CA 95482

District Attorney Merced County 550 W. Main Street Merced, CA 95340 District Attorney Modoc County 204 S Court Street, Room 202

Alturas, CA 96101-4020

District Attorney Mono County Post Office Box 617 Bridgeport, CA 93517

District Attorney Nevada County 201 Commercial Street Nevada City, CA 95959

District Attorney Orange County 401 W. Civic Center Dr. Santa Ana, CA 92701

District Attorney Placer County 10810 Justice Center Dr. Suite 240 Roseville, CA 95678

District Attorney Plumas County 520 Main Street, Room 404 Quincy, CA 95971

District Attorney San Benito County 419 Fourth Street, 2nd Floor Hollister, CA 95023

District Attorney San Bernardino County 316 N. Mountain View Avenue San Bernardino, CA 92415-0004

District Attorney Shasta County 1355 West Street Redding, CA 96001

District Attorney Sierra County PO Box 457 Downieville, CA 95936

District Attorney Siskiyou County Post Office Box 986 Yreka, CA 96097 District Attorney Solano County 675 Texas St., Ste 4500 Fairfield, CA 94533

District Attorney Stanislaus County 832 12th Street, Ste 300 Modesto, CA 95354

District Attorney Sutter County 446 Second Street Yuba City, CA 95991

District Attorney Tehama County Post Office Box 519 Red Bluff, CA 96080

District Attorney Trinity County Post Office Box 310 Weaverville, CA 96093

District Attorney Tuolumne County 423 N. Washington Street Sonora, CA 95370

District Attorney Yuba County 215 Fifth Street, Suite 152 Marysville, CA 95901

Los Angeles City Attorney's Office City Hall East 200 N. Main St., Ste. 800 Los Angeles, CA 90012

San Diego City Attorney's Office 1200 3rd Ave., Ste 1620 San Diego, CA 92101

San Francisco City Attorney's Office City Hall, Room 234 1 Dr Carlton B Goodlett Pl. San Francisco, CA 94102

San Jose City Attorney's Office 200 East Santa Clara Street, 16th Floor San Jose, CA 95113

PROOF OF SERVICE 2 I, Toyer Grear, declare as follows: 3 4 I am a resident of the State of California, and employed in Oakland, California. I am over the age of 18 years and am not a party to the above-entitled action. My business address 5 is 410 12th Street, Suite 250, Oakland, CA 94607. 6 On January 15, 2019, I served a copy of the foregoing document(s) entitled: 7 AMENDED SUMMONS 8 • FIRST AMENDED COMPLAINT FOR INJUNCTIVE RELIEF AND CIVIL 9 **PENALTIES** 10 11

BY U.S. MAIL: by placing a true copy thereof in an envelope, sealing, and placing it for collection and mailing following ordinary business practices addressed as follows:

Sarah Esmaili

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ARNOLD PORTER KAY SCHOLER LLP

Three Embarcadero Center, 10th Floor

San Francisco, CA 94111

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed January 15, 2019, in Oakland, California.